5 January 1968

MEMORANDUM

SUBJECT: Comments on Salgon Embassy Telegram 1/107.

- eigns of a further Communist build-up in South Vietnam suggesting the sarly launching of additional, widespread military action. We do not believe, however, that the 36 December statement of DRV Foreign Minister Nguyen Duy Trink is tactically linked to this build-up or plans for near-term military action, though obviously the Communists will attempt to coordinate their military and their political actions in the mooths ahead.

 Nor would we expect any feelers toward talks to be accompanied by a slackening of the enemy's logistic and military resupply activities.
- Is indisputable. We do not, however, have evidence to confirm any "massive" movement of truck traffic through Laos and believe the level of traffic to be at about the same level as the corresponding period of last year. Though we share the Mission's view that Khe Sanh is a likely Communist target,

it is certainly not the only area marked for early attack. In addition to the OSD REVIEW COMPLETED NSA review completed

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extensive build-up of enemy forces in the vicinity of Khe Sank, there is substantial evidence that the enemy is concentrating its forces for offensive operations in other parts of South Vietnam. In Quang Nam province. the 2nd NVA division, reinforced by the newly infiltrated 31st regiment of the Mist division, has massed in the Oue Son Valley, probably for offensive operations. Significant contact has already occurred between elements of the 2nd NVA and US units operating in this area. In II Corps there have been increasing indications of enemy preparation for attack in the Dak To and the Piel Djering/Piel Mrong areas. A recent build-up of E-3 front forces in the mountains southeast of Nontum city may portend haveseing attacks against Piciku or Kontum. Furthermore, there are indications of a continuing enemy build-up in III Corps using troops dispatched from the B-3 front area. Communist units moving down from the highlands will probably reinforce the enemy's 5th. Ith and 9th divisions which operate in VC Military Region 18 (Binh Long, Phuoc Long and Cuang Due provinces). These divisions can be expected to continue attacks against friendly positions along the Cambodian frontier.

3. While we asticipate a further upsarge of enemy military activity in the next few weeks (i.e., between now and Tet) we are disinclined to infer too close a tactical relationship between a military build-up and recent Hanoi statements suggesting some movement in the DRV position regarding

negotiations. In particular, we doubt seriously if Trinh's recent remarks were intended to serve as any kind of "smoke screen" to mask the military build-up in the south.

- 4. The Communists' military and political actions will continue to be interrelated in the future as they have always been in the past. The almost certainly impending spate of Communist military activity will be designed for maximum political effect. It should not be read, however, as a last-ditch effort to achieve a psychological victory primarily intended to strengthen the North Victnamese hand in a negotiating situation.
- the over-all Communist "winter-spring" (1967-1965) military strategy is intended to frustrate allied ability to meant search and destroy operations and to thwart or undo progress in pacification. At a minimum, Communist military activity will be designed to achieve the appearance of "stalemate" in order to make it look as though the US effort in Vietnam is producing little tangible result. We would expect this strategy to be pursued whatever line Hanoi adopts with respect to negotiations.
- 6. Recent North Vietnamese actions and statements do suggest some movement on the negotiation front. During an intensive military campaign designed to maximize US frustration. Hanoi may dangle various kinds of

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bait on talks, though without offering any concessions on points of substance. In the process. Hanci will hope to capitalize on demestic US political pressures and discontent with the war and, at a minimum, get the hombing stopped.